



Monday, March 1, 2004

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Governor Doyle Announces New Statewide Minimum Wage Increase Recommendations

Minimum Wage Advisory Council Agrees to Increase State Minimum Wage Rates to \$6.50 by 2005

Governor Jim Doyle announced today that the Minimum Wage Advisory Council has voted 16-2 to increase the state's minimum wage to \$5.70 per hour in 2004 and to \$6.50 per hour in 2005.

"I want to thank the council for recognizing the need to raise wages for Wisconsin's working families," Governor Doyle said. "These new wage rates will mean more money in the pockets of our lowest paid citizens, and will be a stimulus for our economy as these individuals have additional buying power to support themselves and their families."

The council – comprised of leaders from the business community, labor organizations, the University System and both houses of the Legislature – agreed today to several minimum wage categories and rates. The council re-introduced the use of a minimum wage rate for minors, under age 18, which increases the current minimum wage rate to \$5.30 per hour. The proposal also includes new minimum wage rates for golf caddies and camp counselors, and an opportunity rate for individuals in the first 90 days of employment that would raise to the general minimum wage rate after 90 days if the worker is an adult.

The council proposed a two-phase increase, with the first increase effective October 1, 2004, and the second on October 1, 2005 for the general, minor, and opportunity rates.

General minimum wage rate

Increases to \$5.70/hour effective 10/01/04 (currently \$5.15/hour)

Increases to \$6.50/hour effective 10/01/05

Minor minimum wage rate

Increases to \$5.30/hour effective 10/01/04 (currently same as adult rate \$5.15/hour)

Increases to \$5.90/hour effective 10/01/05

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Opportunity minimum wage rate

Increases to \$5.30/hour effective 10/01/04 (currently \$4.25/hour)

Increases to \$5.90/hour effective 10/01/05

Golf caddy minimum wage rate

Increases to \$10.50 for 18-holes, and \$5.90 for 9-holes beginning 10/01/04 (currently \$5.95 for 18-holes, and \$3.35 for 9-holes)

Camp counselor minimum wage rate – for staff age 18 and over

Increases to \$285/week effective 10/01/04, and \$315/week effective 10/01/05, if no room and board provided (currently \$140/week)

Increases to \$217/week effective 10/01/04, and \$240/week, if board provided (currently \$110.00/week)

Increases to \$171/week effective 10/01/04, and \$189/week, if room and provided (currently \$91.00/week)

Camp counselor minimum wage rate – for staff under age 18

Increases to \$265/week effective 10/01/04, and \$275/week effective 10/01/05, if no room and board provided (currently \$123.00/week)

Increases to \$202/week effective 10/01/04, and \$209/week, if board provided (currently \$92.00/week)

Increases to \$159/week effective 10/01/04, and \$165/week, if room and provided (currently \$74.00/week)

The Department of Workforce Development estimates that 101,000 individuals will benefit in the first year by the increase and 150,000 in the second year by the increase in the minimum wage rates. Although many minimum wage workers in Wisconsin are young people, nearly half are over 25 years of age. Nearly two out of every three are women. More often than not, they are single parents, struggling to support themselves and their children. And, while many are part-time workers, almost one-third work full time at the minimum wage.

Department of Workforce Development Secretary Roberta Gassman, whose agency convened the wage council, thanked the council members for their work and indicated the council's recommendations will be advanced through the state's administrative rule process.

"The minimum wage rates agreed to today will help many families to make ends meet," Secretary Gassman said. "This will be a real stimulus for our local economies, as individuals statewide have more disposal income."